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11 October 2011

AJC/MJC/13925

PRIVATE & CONFIDENTIAL

Mallett Plc
141 New Bond Street
London
W1S 2BS

Dear Sirs

We hereby give notice of our resignation as auditors to the company in accordance with Section 516 of the Companies Act 2006

In accordance with section 519 of the Companies Act 2006, we consider that the following circumstances connected with our ceasing to hold office should be brought to the attention of the Company's members or creditors

We have been informed that the Audit Committee do not wish us to continue as auditors of Mallett Plc and its subsidiaries (the "Group")

The relevant circumstances that led to this decision are in relation to a disagreement between us, as auditors, and the Audit Committee during the 2010 audit in relation to the appropriateness of carrying a deferred tax asset on the Group balance sheets in the light of on-going losses, notwithstanding plans showing potential future profitability.

Whilst the Audit Committee disagreed with our opinion, they adjusted the financial statements to ensure that we, as auditors, could satisfactorily conclude our audit opinion in relation to those financial statements

A copy of this letter is required to be sent by us to the Registrar of Companies, and we would remind you that the Company is required to forward a further copy to the Registrar within fourteen days of receipt.

Yours faithfully

Menzies LLP

Menzies LLP

SATURDAY



A40 22/10/2011 240
COMPANIES HOUSE

Menzies LLP is a limited liability partnership registered in England and Wales with registered number OC336077. It is registered to carry on audit work and regulated for a range of investment business activities by the Institute of Chartered Accountants in England and Wales.

A list of the members of Menzies LLP is open to inspection at its registered office, 1st Floor Midas House, Goldsworth Road, Woking, Surrey GU21 6LQ. Any reference to a partner in relation to Menzies LLP means a member of Menzies LLP.

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